# Senate



General Assembly

File No. 394

January Session, 2007

Substitute Senate Bill No. 1250

Senate, April 10, 2007

The Committee on Planning and Development reported through SEN. COLEMAN of the 2nd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT AUTHORIZING THE METROPOLITAN DISTRICT COMMISSION TO IMPOSE A SURCHARGE TO COVER THE COSTS OF IMPLEMENTING THE CLEAN WATER PROJECT, ADOPT PROCUREMENT PROCESSES AND COMPLY WITH MINORITY HIRING AND SET-ASIDE GOALS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- Section 1. Number 438 of the special acts of 1941 is amended to read as follows (*Effective from passage*):
- (a) In any town or city in which The Metropolitan District shall furnish water directly to the inhabitants for domestic and other purposes and shall maintain a sewer system, it may impose for purposes connected with said sewer system as hereinafter stated, a sewer rate upon the users of such water who also use said sewer system, which rate shall be proportional to the quantity of water used as determined by water meters installed and serviced by said district, and shall so far as practicable be uniform throughout the territory
- 11 served.

(b) Such sewer rate shall appear on the water bills of said district as a separate item and shall be due and payable at the same time as the water bills are due and payable. Delinquency in the payment of either water or sewer rates, either non-payment or delay in payment, shall render the user liable to penalty and to the discontinuance of the water service and to a lien upon the premises of the user similar to that now provided in case of non-payment of water rates.

- (c) The avails of such sewer rate shall be used only for the construction, maintenance, including the maintenance and operation of sewer protection gates and works, repair or reconstruction of said sewer system, any one or more of such purposes, and the payment of the principal and interest of bonds issued for any of such purposes to the extent and in the manner which the district board may, by ordinance, prescribe as hereinafter provided.
- (d) In accordance with and subject to the limits imposed by this section, the district board may from time to time adopt, alter or repeal ordinances determining the nature and amount of such sewer rates, adjusting special cases, by measurement or estimation of sewer flow, where quantity of water used does not properly reflect use of the sewer. Such ordinances may prescribe the methods of collection and may provide for penalty and discontinuance of water service and lien, and may prescribe and limit the purposes for which the avails of the sewer rates shall be used. Nothing herein contained shall preclude the use of other methods of meeting the expense of such sewer system as are now or may hereafter be provided by law.
- (e) The district board, by ordinance, may establish and revise a fee to be imposed on member municipalities and customers sufficient to pay the cost of financing capital expenses necessary to comply with a certain consent decree executed by the Metropolitan District Commission of Hartford on or about March 23, 2006, in a case pending in the United States District Court for the District of Connecticut encaptioned United States of America and State of Connecticut v. The Metropolitan District Commission of Hartford, Connecticut.

Sec. 2. Section 39 of number 511 of the special acts of 1929, as amended by special acts 80-14 and 90-14, is amended to read as follows (Effective from passage):

- (a) Whenever any work shall be necessary to execute or perfect any public work or improvement, or whenever any supplies for the district shall be needed for any particular purpose and such work or supplies shall involve the expenditure of more than ten thousand dollars, except in the case of an emergency to be determined by the district board, a written contract for such work or supplies shall be made under such regulations as the district board may establish, which contract shall be based on sealed bids made in compliance with public notice, duly advertized by publication, in a daily newspaper published in said district, at least five days before the time fixed for opening such bids or proposals.
- (b) The district board, by ordinance, shall adopt procurement processes and limits for contracting for goods and services. Such ordinance shall provide for (1) expenditure limits for contract bidding, (2) selection of contractors, (3) use of quality-based selection for professional services, (4) low bid selection, (5) procedures to meet state or federal requirements for funding, (6) ethics standards, and (7) any other provisions necessary to protect the interest of the district.
- 66 Sec. 3. (*Effective from passage*) (a) As used in this section:
- (1) "District board" means the district board of the Metropolitan District of Hartford County.
  - (2) "Small contractor" means any contractor, subcontractor, manufacturer or service company (A) which has been doing business and has maintained its principal place of business in the state for a period of at least one year prior to the date of application for certification under this section, (B) which had gross revenues not exceeding three million dollars in the most recently completed fiscal year prior to such application, and (C) at least fifty-one per cent of the ownership of which is held by a person or persons who are active in

the daily affairs of the business and have the power to direct the management and policies of the business.

- (3) "Minority business enterprise" means any small contractor (A) in which fifty-one per cent or more of the capital stock, if any, or assets of which are owned by a person or persons who (i) are active in the daily affairs of the enterprise, (ii) have the power to direct the management and policies of the enterprise, and (iii) are members of a minority, and (B) who has a certificate of eligibility issued by the Department of Administrative Services under regulations adopted under section 4a-60h of the general statutes.
- (4) "Minority" means (A) Black Americans, including all persons having origins in any of the black African racial groups not of Hispanic origin; (B) Hispanic Americans, including all persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture, origin, regardless of race; (C) Asian Pacific Americans and Pacific islanders; or (D) American Indians and persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification.
  - (5) "Ex-offender" means any person who has been convicted of an offense and been released from any incarceration, paid all fines in conjunction with such conviction and been discharged from any probation or parole, if applicable.
  - (b) The district board of the Metropolitan District of Hartford County shall not enter into an agreement with a contractor or subcontractor for the construction or reconstruction of capital improvements to the water supply system or sewerage system operated by the district unless such contractor or subcontractor supplies information to the district sufficient for the district to determine that (1) twenty-five per cent of the employees of the contractor or subcontractor are a minority, and (2) five per cent of such employees are ex-offenders. An ex-offender who is a minority may be included in the determination of the percentage under subdivisions (1)

and (2) of this section.

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(c) The district board shall set aside in each fiscal year for award to minority business enterprises, on the basis of a competitive bidding procedure, contracts or portions of contracts for the construction or reconstruction of capital improvements to the water supply system or sewerage system operated by the district. The total value of such contracts or portions thereof to be set aside shall be at least eighteen and three-quarter per cent of the average of the total value of all such contracts let by the district for each of the previous three fiscal years, provided a contract that may not be set aside due to a conflict with a federal law or regulation shall not be included in the calculation of such average.

(d) (1) The Commission on Human Rights and Opportunities shall conduct a study to determine if there is a disparity between the number of qualified minority businesses ready, willing and able to contract or subcontract with the district for the construction or reconstruction for capital improvements to the water supply system or sewerage system operated by the district and the number of qualified minority businesses actually engaged to perform such contract. Such study shall include recommendations on revisions to the percentage of minority hiring provided for in subsection (b) of this section and to the percentage of contracts to be set aside under subsection (c) of this section. The study shall be submitted on or before December 1, 2007, to the district and the joint standing committee of the General Assembly having cognizance of matters relating to planning and development. On or after January 1, 2008, the district may increase or decrease the percentage of minority hiring provided for in subsection (b) of this section or the percentage of contracts to be set aside under subsection (e) of this section in accordance with the recommendations of said report.

(2) The commission may waive or postpone the percentage of minority hiring provided for in subsection (b) of this section and the percentage of contracts to be set aside under subsection (c) of this

section based on the availability of contractors and subcontractors in the labor force who can perform the contract.

- (e) The Commission on Human Rights and Opportunities shall select and appoint an independent construction contract compliance officer or agent to monitor compliance by the district and each prime construction contractor with the provisions of this section. The independent contract compliance officer or agent shall file a written report of his or her findings and recommendations with the commission and the district quarterly. If the commission determines, based on review of a written report, that the district is not in compliance with the provisions of this section, the authority of the district to impose and collect a fee pursuant to subsection (e) of number 438 of the special acts of 1941, as amended by this act, shall be suspended until the commission determines that the district is in compliance with this section.
- Sec. 4. (*Effective July 1, 2007*) (a) For the purposes described in subsection (b) of this section, the State Bond Commission shall have the power, from time to time, to authorize the issuance of bonds of the state in one or more series and in principal amounts not exceeding in the aggregate ten million dollars.
  - (b) The proceeds of the sale of said bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Department of Environmental Protection for the purpose of a grant to the Metropolitan District Commission to be used for the elimination of the overflow of sanitary sewage to Trout Brook, Piper Brook, Mill Brook, Goff Brook, Meadow Brook and the Connecticut River caused by the inflow of rainwater from drains, roof leaders and sump pumps and infiltration of groundwater into the sanitary sewers of West Hartford, Newington, Rocky Hill, Wethersfield and Windsor.
  - (c) All provisions of section 3-20 of the general statutes, or the exercise of any right or power granted thereby, which are not inconsistent with the provisions of this section are hereby adopted and shall apply to all bonds authorized by the State Bond Commission

pursuant to this section, and temporary notes in anticipation of the money to be derived from the sale of any such bonds so authorized may be issued in accordance with said section 3-20 and from time to time renewed. Such bonds shall mature at such time or times not exceeding twenty years from their respective dates as may be provided in or pursuant to the resolution or resolutions of the State Bond Commission authorizing such bonds. None of said bonds shall be authorized except upon a finding by the State Bond Commission that there has been filed with it a request for such authorization which is signed by or on behalf of the Secretary of the Office of Policy and Management and states such terms and conditions as said commission, in its discretion, may require. Said bonds issued pursuant to this section shall be general obligations of the state and the full faith and credit of the state of Connecticut are pledged for the payment of the principal of and interest on said bonds as the same become due, and accordingly and as part of the contract of the state with the holders of said bonds, appropriation of all amounts necessary for punctual payment of such principal and interest is hereby made, and the State Treasurer shall pay such principal and interest as the same become due.

This act shall take effect as follows and shall amend the following sections:				
Section 1	from passage	Number 438 of the special acts of 1941		
Sec. 2	from passage	Number 511 of the special acts of 1929, Sec. 39		
Sec. 3	from passage	New section		
Sec. 4	July 1, 2007	New section		

## Statement of Legislative Commissioners:

Sec. 4. was added to reflect the committee's intent.

**PD** Joint Favorable Subst.

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The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

#### **OFA Fiscal Note**

## State Impact:

Agency Affected	Fund-Effect	FY 08 \$	FY 09 \$
Human Rights & Opportunities,	GF - Cost	250,000	100,000
Com.			

Note: GF=General Fund

## **Municipal Impact:** None

#### Explanation

This bill would result in a cost to the Commission on Human Rights and Opportunities (CHRO) for consultants to perform the disparity study and to contract for a full-time compliance officer to monitor the Metropolitan District Commission (MDC) and its contract compliance. Detail appears in the table below:

Item:	FY 08	FY 09
Consultant: Disparity Study	150,000	0
Consultant: MDC Contract Compliance	100,000	100,000
Total	250,000	100,000

#### The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation, for the MDC contract compliance contractor. There would be no ongoing fiscal impact for the disparity study consultant, since the cost is one-time in nature.

OLR Bill Analysis sSB 1250

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#### SUMMARY:

The Office of Legislative Research does not analyze Special Acts.

## **COMMITTEE ACTION**

Planning and Development Committee

Joint Favorable Substitute Yea 14 Nay 4 (03/23/2007)